

## § 1.1502-97A

pre-change losses continues to be subject to the limitation regardless of whether it becomes a member or ceases to be a member of a consolidated group. See § 1.382-5(d) (relating to successive ownership changes and absorption of a section 382 limitation).

[T.D. 8678, 61 FR 33362, June 27, 1996; T.D. 8823, 64 FR 36101, July 2, 1999. Redesignated and amended at T.D. 8824, 64 FR 36126, 36128, July 2, 1999]

### **§ 1.1502-97A Special rules under section 382 for members under the jurisdiction of a court in a title 11 or similar case. [Reserved]**

[T.D. 8678, 61 FR 33364, June 27, 1996. Redesignated by T.D. 8824, 64 FR 36128, July 2, 1999]

### **§ 1.1502-98A Coordination with section 383 generally applicable for testing dates (or members joining or leaving a group) before June 25, 1999.**

The rules contained in §§ 1.1502-91A through 1.1502-96A also apply for purposes of section 383, with appropriate adjustments to reflect that section 383 applies to credits and net capital losses. Similarly, in the case of net capital losses, general business credits, and excess foreign taxes that are pre-change attributes, § 1.383-1 applies the principles of §§ 1.1502-91A through 1.1502-96A. For example, if a loss group has an ownership change under § 1.1502-92A and has a carryover of unused general business credits from a pre-change consolidated return year to a post-change consolidated return year, the amount of the group's regular tax liability for the post-change year that can be offset by the carryover cannot exceed the consolidated section 383 credit limitation for that post-change year, determined by applying the principles of §§ 1.383-1(c)(6) and 1.1502-93A (relating to the computation of the consolidated section 382 limitation).

[T.D. 8678, 61 FR 33364, June 27, 1996. Redesignated and amended by T.D. 8824, 64 FR 36126, 36128, July 2, 1999]

### **§ 1.1502-99A Effective dates.**

(a) *Effective date*—(1) *In general.* Except as provided in § 1.1502-99(b), §§ 1.1502-91A through 1.1502-96A and 1.1502-98A apply to any testing date on or after January 1, 1997, and before June 25, 1999. Sections 1.1502-94A

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through 1.1502-96A also apply on any date on or after January 1, 1997, and before June 25, 1999, on which a corporation becomes a member of a group or on which a corporation ceases to be a member of a loss group (or a loss subgroup).

(2) *Anti-duplication rules for recognized built-in gain.* Section 1.1502-93(c)(2) (relating to recognized built-in gain of a loss group or loss subgroup) applies to taxable years for which the due date for income tax returns (without extensions) is after June 25, 1999.

(b) *Testing period may include a period beginning before January 1, 1997.* A testing period for purposes of §§ 1.1502-91A through 1.1502-96A and 1.1502-98A may include a period beginning before January 1, 1997. Thus, for example, in applying § 1.1502-92A(b)(1)(i) (relating to the determination of an ownership change of a loss group), the determination of the lowest percentage ownership interest of any 5-percent shareholder of the common parent during a testing period ending on a testing date occurring on or after January 1, 1997, takes into account the period beginning before January 1, 1997, except to the extent that the period is more than 3 years before the testing date or is otherwise before the beginning of the testing period. See § 1.1502-92A(b)(1).

(c) *Transition rules*—(1) *Methods permitted*—(i) *In general.* For the period ending before January 1, 1997, a consolidated group is permitted to use any method described in paragraph (c)(2) of this section which is consistently applied to determine if an ownership change occurred with respect to a consolidated net operating loss, a net operating loss carryover (including net operating loss carryovers arising in SRLYs), or a net unrealized built-in loss. If an ownership change occurred during that period, the group is also permitted to use any method described in paragraph (c)(2) of this section which is consistently applied to compute the amount of the section 382 limitation that applies to limit the use of taxable income in any post-change year ending before, on, or after January 1, 1997. The preceding sentence does not preclude the imposition of an additional, lesser limitation due to a subsequent ownership change nor, except as